
By: **Delegates Redmer, Ports, and Klausmeier**
Introduced and read first time: February 9, 2001
Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Real Property - Principal Family Residence - Trusts - Creditors' Claims**

3 FOR the purpose of providing that real property that is the principal family residence
4 of a husband and wife, held by them as tenants by the entireties, and conveyed
5 to certain trusts is not subject to claims by their separate creditors under certain
6 circumstances; providing for the application of this Act; and generally relating to
7 protection of certain principal family residences held in certain trusts from the
8 separate claims of creditors.

9 BY adding to
10 Article - Real Property
11 Section 14-127
12 Annotated Code of Maryland
13 (1996 Replacement Volume and 2000 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - Real Property**

17 14-127.

18 REAL PROPERTY THAT IS THE PRINCIPAL FAMILY RESIDENCE OF A HUSBAND
19 AND WIFE, HELD BY THEM AS TENANTS BY THE ENTIRETIES, AND CONVEYED TO
20 THEIR JOINT REVOCABLE TRUST, OR IN EQUAL SHARES TO THEIR SEPARATE
21 REVOCABLE TRUSTS, IS NOT SUBJECT TO A CLAIM BY THEIR SEPARATE CREDITORS
22 TO THE SAME EXTENT AS IF IT REMAINED A TENANCY BY THE ENTIRETIES AS LONG
23 AS:

24 (1) THE HUSBAND AND WIFE REMAIN MARRIED TO EACH OTHER;

25 (2) THE REAL PROPERTY CONTINUES TO BE HELD IN THE TRUST OR
26 TRUSTS; AND

27 (3) THE REAL PROPERTY CONTINUES TO BE THE PRINCIPAL FAMILY
28 RESIDENCE OF THE HUSBAND AND WIFE.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
2 real property transfers executed on or after the effective date of this Act.

3 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2001.